



Iowa General Assembly

2005 Committee Briefings

Legislative Services Agency – Legal Services Division

<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=70>

MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

Meeting Dates: [October 28, 2005](#) | [August 31, 2005](#)

Purpose. This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at <http://www.legis.state.ia.us>, or from the agency connected with the meeting or topic described.

MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

October 28, 2005

Co-chairperson: Senator Jack Hatch

Co-chairperson: Senator Maggie Tinsman

Co-chairperson: Representative Danny Carroll

Overview. The second meeting of the Medical Assistance Projections and Assessment Council was held at the University of Iowa Hospitals and Clinics, Iowa City, Iowa.

Background. The Medical Assistance Projections and Assessment Council was established in 2005 Iowa Acts, HF 841, section 21, to provide oversight for the IowaCare program and the Medical Assistance (Medicaid) program. The Council is required to meet at least quarterly.

University of Iowa Hospitals and Clinics (UIHC) on IowaCare. Dr. Stacey Cyphert, Special Advisor to the President for Health Science Government Relations, UIHC, provided information for UIHC as one of the IowaCare providers. Dr. Cyphert provided a volume and utilization analysis, a demographic analysis, a diagnosis analysis, and presented areas of concern, including the limited pharmaceutical benefit and lack of coverage for durable medical equipment and prosthetics, disenrollments, and the future of the chronic care program.

Broadlawns Medical Center. Ms. Mikki Stier, MSHA, FACHE, Senior Vice President, Government and External Relations, reviewed Broadlawns Medical Center experience with IowaCare to date, presented unresolved issues and concerns, including premium issues, enrollment issues, and the chapter 28E agreement with the Department of Human Services (DHS), which should be finalized in the next two weeks. Ms. Stier recommended DHS, Broadlawns Medical Center, and the UIHC collaborate on any additional components prior to such components being operationalized, that the state verify income of applicants for IowaCare, and that the issues of premiums and transfers to the UIHC from Broadlawns be reviewed.

Public Comment. Ms. Darlene Schmidt, Community Health Free Clinic, and Ms. Linda Homan, Linn County General Assistance Director, provided information regarding their experience with IowaCare, including the effects of elimination of the State Papers Program and the noninclusion of prescription drugs under the IowaCare program.

Medicaid Estimates. Ms. Kerri Johannsen, Legislative Services Agency, Fiscal Division, provided information regarding Medicaid expenditure information for FY 2004-2005 and FY 2005-2006. Fiscal year 2004-2005 closed with a surplus of \$6.8 million, amounting to less than 1 percent of the \$629 million appropriated. The fiscal year 2005-2006 appropriation of \$704.4 million is currently estimated to be short by \$39 million to \$54 million.

Department of Human Services. Mr. Kevin Concannon, Director, and Ms. Jennifer Vermeer, Assistant Medicaid Director, provided an update on IowaCare, including enrollment and premium information, member education efforts, expenditures to date, the nursing facility level of care changes, and the various health care reform initiatives included in HF 841.

Next Meeting. The Medical Assistance Projections and Assessment Council tentatively scheduled the next meeting for Tuesday, January 3, 2006.

LSA Contacts: Patty Funaro, Legal Services, (515) 281-3040; John Pollak, Legal Services (515) 281-3818

Internet Page: <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=70>

MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

August 31, 2005

Co-chairperson: Senator Jack Hatch

Co-chairperson: Senator Maggie Tinsman

Co-chairperson: Representative Danny Carroll

Overview. The first meeting of the Medical Assistance Projections and Assessment Council was held at the State Capitol and at Broadlawn Medical Center.

Background. The Medical Assistance Projections and Assessment Council was established in 2005 Iowa Acts, H.F. 841, §21, to provide oversight for the IowaCare Program and the Medical Assistance (Medicaid) Program. The Council is required to meet at least quarterly.

Co-chairpersons. The Council elected Senators Hatch and Tinsman and Representative Carroll as Co-chairpersons of the Council.

Presentation by the Department of Human Services (DHS). Director Kevin Concannon, Medicaid Director Gene Gessow, and Assistant Medicaid Director Jennifer Vermeer presented a status report regarding the IowaCare Program. Director Concannon emphasized that the IowaCare Program was designed to address the reduction in federal revenues of \$65 million due to elimination of intergovernmental transfers with the added benefit of a limited expansion of the Medicaid Program, which includes promotion of prevention, healthy activities, and personal responsibility.

The department representatives discussed federal approval of the waiver to establish IowaCare, the implementation plan, and various aspects of the program. The program commenced enrollment and other operations on July 1, 2005, when federal waiver approval to implement the program was received.

Iowa Collaborative Safety Net Providers Network. Director Mary Hansen, Iowa Department of Public Health, provided an update of the Iowa Collaborative Safety Net Providers Network, which was established in 2005 Iowa Acts, H.F. 825, which also provided a \$1.1 million appropriation. Of the appropriation, \$650,000 is to be used as incubator funding to assist a program in Dubuque to become a federally qualified health center (FQHC) look-alike which will enable the program to receive federal cost-based reimbursement. The remainder of the appropriation was awarded to the Iowa/Nebraska Primary Care Association to develop and administer an Iowa Collaborative Safety Net Provider Network. This will enable community health centers, rural health clinics, and free clinics to develop data-sharing methods and provide a framework for collaboration among safety net providers. An amount of \$25,000 will be used for evaluation purposes.

University of Iowa Hospitals and Clinics (UIHC). Dr. Stacey Cyphert, Special Advisor to the President for Health Science Government Relations, UIHC, provided information as one of the IowaCare providers. Dr. Cyphert discussed the elimination of the State Papers Program and shifting of funding to IowaCare, which was established in 1915, and the differences between the State Papers Program and the new IowaCare Program. Highlights concerning implementation of the IowaCare Program include:

UIHC has entered into a chapter 28E agreement with DHS specifying the duties of UIHC and DHS under that agreement.

A workgroup is to be established to address care of patients at state institutions for which UIHC retained responsibility under H.F. 841.

UIHC has established an IowaCare Assistance Center to assist patients and providers.

DHS had sent a letter to all State Papers patients to inform them of the new program and that if they had an appointment scheduled in July or August 2005, or if they had an ongoing or chronic need for care, they were to apply for the IowaCare Program and could continue to receive care. For those with a chronic condition, care will continue to be provided for that condition, the patient will not be subject to payment of premiums, and care includes pharmaceuticals and durable medical equipment necessary for treatment of the condition.

As of July 26, 2005, 7,425 applications for IowaCare and Chronic Care patients had been approved. In 48 of Iowa's counties, the number of patients enrolled meets or exceeds the state papers and orthopedic papers utilized in FY 2004, and the number enrolled in IowaCare is 162 percent of the FY 2004 utilization of the State Papers Program.

Of the number of IowaCare enrollees, 69 percent have not scheduled an appointment at UIHC.

UIHC Recommendations. Dr. Cyphert recommended that the Council consider expanding the pharmaceutical benefit for enrollees, permit coverage of durable medical equipment, verify enrollment information to minimize fraudulent expenditures, more clearly specify psychiatric coverage, and continue to closely monitor the program.

Broadlawns Medical Center (BMC). Mr. Heath Bell, Vice President, Chief Information Officer; Ms. Mikki Stier, Senior Vice President, Government and External Relations; Mr. Al White, Senior Vice President, Business Services, and Mr. Gary Uhl, Vice President, Financial Services, BMC, presented information as a provider under the IowaCare Program.

Mr. Bell began by describing the BMC Community Care Program, which is a tax-supported medical program for the uninsured who are residents of Polk County. The program is a payer of last resort and the BMC financial counseling department administers the program. Prior to July 1, 2005, the program covered individuals with income up to 500 percent of the federal poverty level, with those over 200 percent of the poverty level being subject to copayments based on a sliding fee scale. Beginning July 1, 2005, BMC began requiring any BMC patient who is part of the Community Care Program with a poverty level up to 200 percent to enroll in IowaCare. Community Care Program services not provided under IowaCare may still be provided to the individual. Any patient enrolling in the IowaCare Program at BMC is still required to verify that the person is a U.S. citizen or legal alien, is a resident of Polk County, and has an income between 0 and 200 percent of the poverty level. BMC's charter states that the facility is to provide care and services to residents of Polk County. The Polk County property tax levy provides only for provision of services to such residents, and the current tax levy is inadequate to provide such services. Mr. Bell described the circumstances under which BMC will provide services to out-of-county residents, the population accessing IowaCare, and described the benefits provided.

BMC Concerns. BMC's concerns with the program include what to do when the enrollment and care provided exceeds the cost allocation used for the Community Care Program, the need for assurance that the transport of patients with care needs that cannot be met by BMC to UIHC will continue, and the need for translation services.

BMC Recommendations. BMC's recommendations to the Council include that operationalization of any new components of IowaCare should be a collaborative process among BMC, UIHC, and DHS; income verification by the state under the IowaCare Program would increase efficiency; and that resolution is needed regarding the issue of payment of additional administrative costs resulting from IowaCare. BMC is continuing to work with the Office of the Attorney General to finalize its chapter 28E agreement with DHS.

Tour. The members of the Council were provided a tour of Broadlawns Medical Center.

Next Meeting. The next meeting of the Council will be held in October. The date and location of the meeting are to be announced.

LSA Contacts: Patty Funaro, Legal Services, (515) 281-3040; John Pollak, Legal Services, (515) 281-3818
Internet Page: <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=70>